#### 1846.672-6

- (b) Mark, in letters approximately one inch high, the first copy "ORIGINAL INVOICE" and the remaining three copies "INVOICE COPY".
- (c) Forward the four copies to the payment office (Block 12 address).

#### 1846.672-6 Packing list instructions.

Copies of the MIRR may be used as a packing list. The packing list copies shall be in addition to the copies of the MIRR required for distribution (see 1846.673) and shall be marked "PACK-ING LIST".

#### 1846.672-7 Receiving instructions.

When the MIRR is used for receiving purposes, procedures shall be as prescribed by local directives. If acceptance or CQA and acceptance of supplies are required upon arrival at destination, see Block 21B for instructions.

### 1846.673 Distribution of DD Forms 250 and 250c.

- (a) DD Forms 250 and 250c shall be distributed in accordance with installation procedures.
- (b) The contractor is responsible for distributing DD Forms 250 and 250c in accordance with the provisions of the contract or instructions of the contracting officer.

#### 1846.674 Contract clause.

The contracting officer shall insert the clause at 1852.246-72, Material Inspection and Receiving Report, in solicitations and contracts, except those using simplified acquisition procedures or where the only deliverable items are technical or scientific reports. Insert the number of copies to be prepared. Paragraph (a) may be changed to specify advance copies or separate distribution of the DD Form 250.

### **Subpart 1846.7—Warranties**

#### 1846.703 Criteria for use of warranties.

#### 1846.703-70 Additional criteria.

In deciding whether to use a warranty clause, at least the following factors shall be considered in addition to those at FAR 46.703:

- (a) Cost of correction or replacement, either by the contractor or by another source, in the absence of a warranty;
- (b) The warranty as a deterrent against the furnishing of defective or nonconforming supplies;
- (c) Whether the contractor's quality program is reliable enough to provide adequate protection without a warranty, or, if not, whether a warranty would cause the contractor to institute an effective quality program;
  (d) Reliance on "brand-name" integ-
- (d) Reliance on "brand-name" integrity; and
- (e) Whether a warranty is regularly given for a commercial component of a more complex end item.

# 1846.704 Authority for use of warranties. (NASA paragraphs (1), (2) and (3))

- (1) A warranty clause may be used when it is found to be in the best interests of the Government, after an analysis of the factors listed in 1846.703-70 and FAR 46.703.
- (2) Except for the warranty of commercial items (see FAR 12.404 and 46.709), and warranties contained in Federal, military, or construction specifications, the decision to use a warranty clause or to include a warranty provision in a specification other than a Federal, military, or construction specification shall be made only upon the written authorization of the procurement officer or a designee. This decision may be made either for individual acquisitions or classes of acquisitions.
- (3) Warranties required by applicable architect-engineer specifications shall be included in construction contracts.

#### 1846.770 Administration.

When notified of a defect in warranted items, the contracting officer should ascertain whether the warranty is currently in effect and ensure that the contractor is given proper and timely notice of the defect.

#### PART 1847—TRANSPORTATION

# Subpart 1847.2—Contracts for Transportation or for Transportation-Related Services

Sec.

1847.200 Scope of subpart.

1847.200-70 Charter of aircraft.

# Subpart 1847.3—Transportation in Supply Contracts

1847.304 Determination of delivery terms.1847.304-3 Shipments from CONUS for overseas delivery.

1847.304-370 NASA export privilege.

1847.305 Solicitation provisions, contract clauses, and transportation factors.

1847.305-10 Packing, marking, and consignment instructions.

1847.305-13 Transit arrangements.

1847.305-70 NASA contract clauses.

## Subpart 1847.5—Ocean Transportation by U.S.-Flag Vessels

1847.506 Procedures.

#### Subpart 1847.70—Protection of the Florida Manatee

1847.7001 Contract clause.

AUTHORITY: 42 U.S.C. 2473(c)(1).

Source: 62 FR 14028, Mar. 25, 1997, unless otherwise noted.

### Subpart 1847.2—Contracts for Transportation or for Transportation-Related Services

1847.200 Scope of subpart.

#### 1847.200-70 Charter of aircraft.

When acquiring aircraft by charter, contracting officers shall comply with NPG 7900.3, Aircraft Operations Management.

[64 FR 51079, Sept. 21, 1999]

# Subpart 1847.3—Transportation in Supply Contracts

1847.304 Determination of delivery terms.

1847.304-3 Shipments from CONUS for overseas delivery.

### 1847.304-370 NASA export privilege.

NASA has export licensing privileges for moving commodities to foreign destinations. Contracting officers shall request the advice of the Center Export Administrator to ensure full and appropriate use is made of these privileges.

1847.305 Solicitation provisions, contract clauses, and transportation factors.

## 1847.305-10 Packing, marking, and consignment instructions.

In contracts providing for delivery f.o.b. origin and shipment under Government bills of lading, consignment instructions may be limited to the mail address of the consignee (receiving activity), provided the contract instructions state: "Shipment other than mail shall be consigned as indicated on the Government bill of lading furnished to the contractor."

# 1847.305–13 Transit arrangements. (NASA supplements paragraph (a))

(a)(3)(ii) When the provision at FAR 52.247-56 is used, the solicitation shall state that offers will be evaluated on the basis of the lowest overall cost to the Government, including transportation costs to NASA from point of origin to final destination, taking into account any applicable transit privileges.

### 1847.305-70 NASA contract clauses.

- (a) The contracting officer may insert a clause substantially as stated at 1852.247-72, Advance Notice of Shipment, in solicitations and contracts when the f.o.b. point is destination and special Government assistance is required in the delivery or receipt of the items.
- (b) The contracting officer may insert a clause substantially as stated at 1852.247–73, Shipment of Government Bills of Lading, in f.o.b. origin solicitations and contracts.

### Subpart 1847.5—Ocean Transportation by U.S.-Flag Vessels

### 1847.506 Procedures. (NASA supplements paragraph (d))

(d)(i) The transportation officer in each installation shall establish and maintain a register to reflect adherence to the Cargo Preference Act. The register shall contain data related to shipments made by the installation and by NASA contractors. Where no transportation officer is available, it shall be maintained by the contracting

#### 1847.7001

office. The register shall contain pertinent details of ocean shipments including, but not limited to, the ports of origin and destination of shipments, commodity descriptions, gross weight, freight revenue, name of vessel, operator of vessel, and date of loading. The register shall be maintained current and organized so that adherence to the Preference Cargo Act ascertained at all times. To the maximum practicable extent, compliance with the 50-percent minimum requirements of the Cargo Preference Act shall be maintained on a quarter-year basis; any deficiencies in maintaining compliance shall be corrected by the end of the calendar year.

(ii) On the basis of the registers maintained under paragraph (d)(i) of this section, the official maintaining the register shall submit quarterly reports reflecting ocean shipments to the Division of National Cargo, Office of Market Development, Maritime Administration, Department of Transportation, Washington, DC, 20590. Negative reports are required when applicable.

# Subpart 1847.70—Protection of the Florida Manatee

### 1847.7001 Contract clause.

The contracting officer shall insert the clause at 1852.247–71, Protection of the Florida Manatee, in solicitations and contracts when deliveries or vessel operations, dockside work, or disassembly functions under the contract will involve use of waterways inhabited by manatees. The clause shall also be included in applicable subcontracts (including vendor deliveries).

#### PART 1848—VALUE ENGINEERING

### Subpart 1848.1—Policies and Procedures

Sec.

1848.102 Policies.

1848.103 Processing value engineering change proposals.

1848.104 Sharing arrangements. 1848.104-3 Sharing collateral savings.

### Subpart 1848.2—Contract Clauses

1848.201 Clauses for supply or service contracts.

AUTHORITY: 42 U.S.C. 2473(c)(1).

Source: 62 FR 14029, Mar. 25, 1997, unless otherwise noted.

# Subpart 1848.1—Policies and Procedures

# 1848.102 Policies. (NASA supplements paragraphs (a) and (f))

- (a) The Associate Administrator for Procurement (Code HS) is the approval authority for exemptions.
- (f) In calculating instant or future contract savings on firm-fixed-price contracts when the parties have not set out a specific figure for profit, the contracting officer shall use the total contract price as the basis for calculating the savings.

# 1848.103 Processing value engineering change proposals. (NASA supplements paragraph (a))

- (a) Upon receipt of a VECP, the contracting officer shall promptly forward it to the technical officer responsible for the contract with the following information:
  - (i) Date of VECP receipt;
- (ii) Date for notifying the contractor of VECP acceptance or rejection;
- (iii) Notification of the potential for awarding concurrent, future, or collateral savings to the contractor if the VECP is accepted;
- (iv) Request for a technical evaluation, with complete rationale for recommended acceptance or rejection, to include if acceptance is recommended:
- (A) An estimate of the type of savings, Government costs, etc., that can be expected from its acceptance;
- (B) A procurement request setting forth the specification changes to be used in any contract modification accepting the VECP in whole or in part; and
- (C) Additional funds if acceptance of the VECP results in negative instant contract savings.
  - (v) Technical evaluation due date.

### 1848.104 Sharing arrangements.

### 1848.104-3 Sharing collateral savings. (NASA supplements paragraph (a))

(a) The contracting officer is authorized to make the determination that the cost of calculating and tracking